From: Suzanne Waugh
Sent: 18 January 2007 13:27

To: Mike Connelly

Subject: FW: Trams - Scottish Parliamentary reference to business rates support agreement

Follow Up Flag: Follow up Flag Status: Flagged

----Original Message----

From: Leanne Mabberley [mailto:Leanne.Mabberley@edinburgh.gov.uk]

Sent: 18 January 2007 12:28

To: Mike Connelly; John Boyle; Suzanne Waugh; gordon@mediahouse.co.uk; Willie Gallagher

Cc: Wendy Park; Lynn McMath

Subject: RE: Trams - Scottish Parliamentary reference to business rates support agreement

Dear all

A letter has just gone to Fergus Ewing from Donald McGougan estimating the total reduction in rates available to the national rates pool to be £5.3m over a three year period. He estimates the majority of this to be in 07/08 and 08/09.

If you could like a copy of the letter, please let me know and I will fax it over.

Leanne

----Original Message----

From: Mike Connelly [mailto:mike.connelly@ukonline.co.uk]

Sent: 12 January 2007 12:02

To: john.boyle@tie.ltd.uk; suzanne.waugh@tie.ltd.uk; gordon@mediahouse.co.uk; Leanne Mabberley; willie.gallagher@tie.ltd.uk

Subject: Fw: Trams - Scottish Parliamentary reference to business rates support agreement Importance: High

Dear All

I thought that you may be interested to see yesterday's oral questions in the Scottish Parliament, which includes criticism of the compensation deal.

I'm checking with Donald McGougan's office and Ray McMaster at Dundas & Wilson to see if any calculations had been done as part of the original discussions with the Lothian Assessor to check on the accuracy of Fergus Ewings comments.

Cheers

Mike

Edinburgh Trams

5. Margaret Smith (Edinburgh West) (LD): To ask the Scottish Executive when it will make a decision on the business case for Edinburgh trams. (S20-11597)

The Minister for Transport (Tavish Scott): A decision is expected next month.

Margaret Smith: The minister will be aware of concerns about tram access to the Western general hospital before the bill was passed and concerns in recent weeks about the proposed

feeder bus service. Will he give an assurance that he will consider the provision of properly integrated bus and tram services when he considers the business case? Crucially, will he ensure that the dedicated feeder bus service that Transport Initiatives Edinburgh promised NHS Lothian and the Parliament goes ahead fully?

Tavish Scott: I will be happy to consider the issues relating to the dedicated bus service that Margaret Smith mentions and to ensure that they are fully taken into account when the business case is assessed. Margaret Smith will be aware that accessibility is one of the issues that must be considered under the Scottish transport appraisal guidance when any business case is assessed. The integration of heavy rail services, the tram system and Edinburgh's excellent bus services will therefore be looked at in the final consideration of the business case, which, as I said, is expected to be decided on next month.

Malcolm Chisholm (Edinburgh North and Leith) (Lab): Does the minister realise that, with the exception of one Scottish National Party council member, the whole of the City of Edinburgh Council voted in support of the whole of the tram network, including the spur from Haymarket to Granton?

Does he realise that local residents often contact me to ensure that that part of the network is developed, and does he realise that the development of the Granton waterfront heavily depends on that part of the tram network being built? Will he therefore ensure that funding is made available for the whole network, including the spur from Haymarket to Granton?

Tavish Scott: As Mr Chisholm knows, the current funding is for the first phase of the project. However, I understand what he has said about Granton and the later phases of the project. He also knows that further developer contributions would help that element of the project. Significant investment is already taking place in private sector housing and business opportunities by a number of organisations and companies, including Forth Ports plc, which I met recently met to discuss the matter.

I, too, noticed that the SNP was the only party in the council chamber that opposed the project. That approach is in line with its transport policy of flip-flopping on everything.

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): Is the minister aware of the 17 November communication from the assessor of the Lothian Valuation Joint Board that said that rates relief has been agreed for businesses that will be affected by the construction of the proposed tram system, and that it has been estimated that that relief will cost £18 million? Does he agree that that figure does not appear in any of the costings or in the business case; that

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the cost would be borne by the Scottish taxpayer; and that, until now, the Executive, although it has been informed of the issue, has chosen to keep quiet about it? Does his predecessor's undertaking that the Executive's contribution to the scheme will not be increased still stand, or will there be hidden extra costs to the taxpayer, as was the case with the Parliament building?

Tavish Scott: Mr Ewing works himself up into righteous indignation on the tram project, as he does on all projects. It would be great if he concentrated on keeping to the positives. I notice that Mr Ewing, the Scottish National Party's transport spokesman, did not concentrate on that party's policy flip-flop on the issue: the SNP used to support the Edinburgh trams project, but it is now opposed to it. On every transport project, Mr Ewing tries to find some small issue so that he can say that the project is good or bad and so

justify the SNP's policy of changing its mind. The only consistent thing about the SNP is that it changes its mind.

Susan Deacon (Edinburgh East and Musselburgh) (Lab): I welcome the progress that has been made on what will be an ambitious step forward for Edinburgh's transport infrastructure. I also welcome the minister's statement that further developments will take place. In that regard, I seek an assurance from him that he will continue to work with the City of Edinburgh Council to ensure that the city gets a third tramline to serve the south-east of the city in the future.

Tavish Scott: I hope that we can make further progress on this exciting project, not only for Edinburgh, but for the whole of Scotland. I give Susan Deacon the assurance that she seeks. One important aspect is to consider what is happening internationally, which some parties are keen to do. If we examine the Luas scheme in Dublin, we find that the project is now making an operational surplus and is transporting people throughout the city of Dublin. The scheme has achieved that by expanding and by levering in more developer contributions. That is an exciting possibility for our capital city, too.

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